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Order 2003-6-36
Served: June 30, 2003



**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Issued by the Department of Transportation
on the 30th day of June, 2003

AIRLINE INDUSTRY CONDITIONS

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Docket OST-2003-14873-12

ORDER

By Order 2003-4-12, issued April 16, 2003, we imposed certain reporting requirements on thirteen airlines, on a twice-weekly basis, through June 2003. By this action, we are extending these requirements through September 30, 2003, but limiting submissions to once a week.

At that time, we determined that the war in Iraq had exacerbated the U.S. airline industry's financial difficulties. As a result, we found it appropriate and necessary to be able to monitor industry developments and to use our authority as appropriate to address industry problems caused by these circumstances. We wanted the ability to evaluate policy options on the basis of current factual information. We therefore requested real time information from the airlines that would enable us to keep abreast of developments, including the airlines' operational, traffic, and financial situations.

While the war in Iraq has ended, the industry's poor operating results continued well past the cessation of major military operations. While there are recent preliminary indications that the airline industry is now stabilizing, the progress of recovery to date is not adequate to remove our concerns about the industry's financial status and we find it appropriate to continue our monitoring activities, to confirm that recovery continues unabated. For these reasons, we require each of the airlines listed on Attachment A of this Order to continue to provide the reports set forth on Attachment B. We are adopting this order under 49 U.S.C. 41708. Weekly reports outlined in Part I of Attachment B will be due by noon (Eastern Time) on Tuesday of each week. We reserve the right, however, to require the filing of additional material deemed appropriate at any time. We urge the airlines to submit the reports required by this order electronically in accordance with the established practice.

The reporting requirements imposed by this order shall terminate on September 30, 2003, unless an extension of the requirement appears necessary. Accordingly, no airline will be required to retain copies of the reports required by this order beyond September 30, 2003.

We have complied with the requirements of the Paperwork Reduction Act, 44 U.S.C. Chapter 35, for this information directive.

ACCORDINGLY, pursuant to 49 U.S.C. 40113 and 41708, the Department finds it necessary to compel the submission of certain reports and to take action, as follows:

1. Our actions here are subject to the terms, limitations, and conditions set forth in Order 2003-4-12, except as provided below;
2. Each of the airlines listed on Attachment A shall submit to the address set forth in ordering paragraph 5 information responsive to the narrative request in Attachment B, Part I, once per week (due noon Eastern Time on Tuesday of each week). With respect to Part I, number 1, each airline should continue to submit data in accordance with the established practice, using the revised reporting format served on all airlines listed in Attachment A by Email on April 25, 2003. The first weekly report shall be due on Tuesday, July 1, 2003. As outlined on Attachment B, Part II, each of the airlines listed on Attachment A shall also submit to the address set forth in ordering paragraph 5 the monthly Form 41 Schedule P-1(a) Interim Income Statement (14 C.F.R. Part 241 Section 23) on an expedited basis, due within fifteen business days following the end of the month for which data are being reported;
3. If any of the responding carriers object to the public release of any of the information submitted pursuant to this Order, they shall comply with the requirements of 14 C.F.R. 302.12, provided that an airline may file one motion requesting confidential treatment for all reports submitted pursuant to this order;
4. The reporting requirements imposed by this order shall terminate on September 30, 2003, unless extended by a later Department order;
5. The reports shall be submitted directly to Randall Bennett, Director, Office of Aviation Analysis, U.S. Department of Transportation, 400 Seventh Street SW, Room 6401, Washington, DC 20590. Electronic submissions to the following e-mail address, in accordance with the established practice, are strongly encouraged:
X50airinfo@ost.dot.gov;
6. Air carriers need not retain the reports covered by this order and the books, records, and other source and summary documentation supporting the reports, beyond September 30, 2003;

7. We will serve this order on all carriers listed in Attachment A.

By:

MICHAEL W. REYNOLDS
Acting Assistant Secretary for Aviation
and International Affairs

(SEAL)

An electronic version of this document is available on the World Wide Web at:
<http://dms.dot.gov/search/searchFormSimple.cfm>

ATTACHMENT A - CARRIER LIST

Mainline Airlines listed in this attachment are responsible for reporting the information requested in Attachment B for mainline operations and for their associated regional and low-fare carriers, as outlined by the chart below. With respect to operations by Mainline Airlines' regional partner(s) marked with an asterisk (*), Mainline Airlines are only required to report traffic and capacity data for these non-wholly owned partner carriers if the carriers have access to this information in the regular course of business.

Mainline Airlines	Regional and Low-fare Carrier Operations Required to be Included ¹
AirTran Airways (including Ryan Int'l operations)	Air Wisconsin (operating as AirTran JetConnect)*
Alaska Airlines	Horizon
America West Airlines	Mesa (operating as America West Express)* Chautauqua (operating as America West Express)*
American Airlines	American Eagle Chautauqua (operating as American Connection)* Trans States (operating as American Connection)*
ATA Airlines (formerly American Trans Air)	Chicago Express
Continental Airlines	Continental Express/ExpressJet*
Delta Air Lines	Atlantic Coast (operating as Delta Connection)* Atlantic Southeast Comair Chautauqua (operating as Delta Connection)* Delta Express/Song Skywest (operating as Delta Connection)*
Frontier Airlines	Mesa (operating as Frontier JetExpress)*
JetBlue Airways	
Northwest Airlines	Mesaba* Pinnacle
Southwest Airlines	
United Air Lines	Atlantic Coast (operating as United Express)* Skywest (operating as United Express)* Air Wisconsin (operating as United Express)*
US Airways	Allegheny Piedmont PSA Chautauqua (operating as US Airways Express)* Trans States (operating as US Airways Express)* Mesa (operating as US Airways Express)*

¹ This list is not meant to be all-inclusive. The intent is to capture information on each Mainline Airline's primary/largest regional partners so as to minimize reporting burdens.

ATTACHMENT B – DATA REPORTING REQUIREMENTS AND INSTRUCTIONS

For the purposes of the information requested below, *system-wide* refers to all **scheduled** (i.e., excluding charter) flight operations, including operations by the mainline carrier and wholly owned regional and low-fare subsidiaries or divisions (e.g., in the case of Delta, Comair/ Atlantic Southeast and Delta Express, respectively)², and across all geographic entities. To the extent an individual carrier's definition of "system-wide" does not comport with this definition, for instance due to the way it accounts for non-wholly owned regional partner operations, it may use its own definition as long as footnotes are provided that explain any discrepancies.

PART I: WEEKLY SUBMISSIONS

The following information is to be submitted once a week, by Tuesday noon Eastern Time:

1. Continue to provide **Revenue Passenger Miles, Available Seat Miles, Passenger Load Factors, Passenger Yields³, and Enplaned Passengers** for the geographic entities (as defined in Table 1 below) and the operating entities your airline has been submitting since the initial issuance of this Order. For the first report under this extended Order (due on July 1, 2003), provide daily data for the period June 26, 2003, through June 30, 2003, and for the same days of the week last year. For subsequent reports due on Tuesdays, provide daily data for the immediately preceding Tuesday, Wednesday, Thursday, Friday, Saturday, Sunday, and Monday for both this year and for the same days of the week in 2002. As an example, the report due on Tuesday, July 8, 2003, will contain data for each day in the period Tuesday, July 1, 2003, to Monday, July 7, 2003, and for the comparable period Tuesday, July 2, 2002, to Monday, July 8, 2002. Airlines should continue to submit in accordance with the established practice using the revised reporting format served on all airlines listed in Attachment A by email on April 25, 2003. To the extent necessary, airlines should also continue to submit any subsequent updates to previously submitted data.

Table 1: Geographic Entity Definitions for this Subpart

Domestic entity: all operations between and within the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands; shall also include Canadian transborder operations.

Atlantic entity: operations across the Atlantic Ocean, excluding operations to and from Bermuda, which shall be classified into the *Latin American* entity.

Pacific entity: operations across the Pacific Ocean, including the North/Central Pacific, South Pacific (including Australia) and the Trust Territories, excluding Hawaiian operations captured in the *Domestic* entity

Latin American entity: Caribbean operations (including Bermuda and the Guyanas) and Mexican and South/Central American operations.

² In other words, mainline operations plus operations by associated regional and low-fare carriers without an asterisk in the Attachment A table.

³ For yields, individual figures for wholly owned and non-wholly owned carriers as well as low-fare subsidiaries are not required. However, identify the carrier entity operations that are included in system-wide figures. Also, geographic entity figures should include all carrier entities included in the calculation of system-wide yield.

2. Continue to provide copies of reports prepared in the normal course of business on your daily advance bookings for each of the four geographic entities, including year-over-year and week-over-week comparisons. The information submitted should continue to contain bookings from all distribution channels (i.e., direct bookings and bookings via third-party distributors).
3. Continue to provide a list of all **airports** and all **non-stop airport-pair markets** in which ALL scheduled services operated by your airline's mainline and/or its low-fare and regional affiliates have been terminated since March 1, 2003, or will be withdrawn effective as of any date from the date of this order until December 31, 2003, noting its date of effectiveness. If a withdrawal's effectiveness is not indefinite, note its planned resumption date. Update this information with each weekly submission as necessary.

PART II: MONTHLY SUBMISSION

The following information should continue to be submitted on a **monthly basis**. The first submission under this extended order, covering June 2003, will be due July 21, 2003. Subsequent submissions are also due within fifteen business days following the end of the previous month.

4. Form 41 Financial Information Schedule P-1(a) Interim Income Statement (14 C.F.R. Part 241 Section 23)